

# Get a complete picture of model portfolio holdings

## PINPOINT OPPORTUNITIES THAT OTHERS MISS

- Identify trends in model assets over a 25-month period.
- Segregate model portfolio assets from discretionary assets.
- Determine the best prospects for National Accounts teams.
- Identify the best prospects for external wholesalers.
- Understand your asset penetration at a firm or office by Morningstar Category.



User interface prototype

## GAIN THE INSIGHTS NEEDED TO TARGET EFFECTIVELY

The increased use of model portfolios has a dramatic impact on sales strategies. In order to target prospects and focus resources, asset managers need ways to identify assets held within model portfolios. Broadridge puts these insights at your fingertips.

The latest module in our Market Analytics suite, Model Portfolio Analysis provides a more complete picture of the holdings of your distribution clients. Now you can access detailed information about model portfolio holdings broken down by category and investment type—identifying model assets within multiple channels (RIA, Broker Dealer, and Bank) and investment products (Mutual Funds and ETFs).

## TAKE ADVANTAGE OF POWERFUL ALGORITHMS

Broadridge data scientists have developed a methodology that utilizes a bottom-up approach to identify holdings with similar funds held in similar allocations. We analyze clusters of funds with a high degree of conformity across approximately \$15 trillion in retail channel assets on a monthly basis. More than 25,000 fund classes (CUSIPS) are tracked, with a data set that contains a rolling 25 months of history. Machine learning ensures that algorithms are constantly improved and identify additional model portfolio AUM.

## DETERMINE THE BEST PROSPECTS ACROSS DIMENSIONS

With the Model Portfolio Analysis module, you can access powerful business intelligence, reports and graphic visualizations of model activity through our Distribution Insight platform. Analyze the data or enable downstream applications with extracts containing:

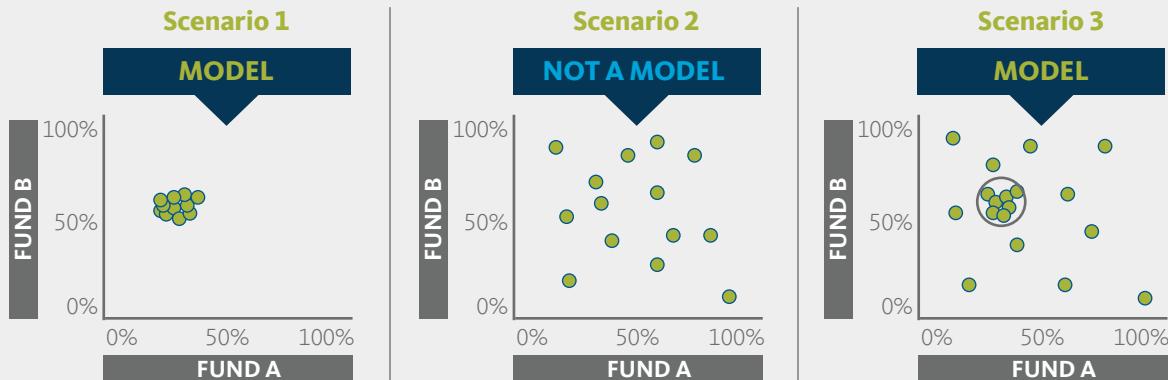
- Client and Industry-level model assets provided on a monthly basis
- Calculated model market share at industry, channel and dimensional levels

### Model dimensions include:

- Mutual Fund – ETF Mix
- Active – Passive Mix
- Morningstar Investment Style/Category
- Investment Decision-Maker (Home-Office, Third-Party Strategist, Advisor-Led)
- Your Individual Fund level (client)
- Channel/Firm Type
- Distributor
- Office

## MODEL PORTFOLIO IDENTIFICATION

Broadridge analyzes 25,000+ CUSIPs. We look for holdings in similar funds with similar investment allocations. Once a model is found, we aggregate the assets on a monthly basis.



Note: Two funds shown for illustrative purposes only.

## MODEL TYPE CLASSIFICATION

Broadridge classifies models into three segment types based on activities of initiating firms and offices to assist asset managers in locating and quantifying points of sales influence.



### Home-Office

Home-Office models are instances in which the majority of model holdings are located within a **single** initiating firm across **multiple** offices (e.g., 20 offices of a Wirehouse). In these cases, FAs outsource money management to the Home-Office and an internal research group takes on discretionary investment responsibility for model allocation, trading and rebalancing.



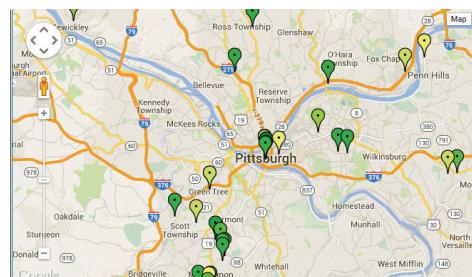
### Third-Party

Third-Party models are instances in which the majority of model holdings are located across **multiple** initiating firms (e.g., seven Regionals). Similar to the Home-Office model, FAs also cede investment discretion to a centralized decision-making group such as a TAMP or Third-Party Strategist. FAs pay a fee for these bundled investment, reporting and platform services.



### Advisor-Led

Advisor-Led models are instances in which the majority of holdings are located within a **single** initiating firm and **single** office (i.e., single office at IBD). Unlike Home-Office and Third-Party models in which investment decisions are made centrally, Advisor-Led models are managed in-house by FAs and their teams. The models deployed could be built from scratch, but more often they leverage another offering from a model maker (i.e., Home-Office, Third-Party Strategist, Asset Manager “paper portfolio”, another FA) and are then tweaked accordingly. Typically, the FA does not pay any allocation fees in this model.



## INTEGRATE WITH OPPORTUNITY HUNTER

Model Portfolio Analysis will be integrated with Opportunity Hunter to more precisely target prospects.

- Provide distinct breakdown for national or key accounts and external wholesalers.
- Pinpoint opportunities based on the inclusion or exclusion of model assets at any RIA firm or BD office available in Opportunity Hunter.

Broadridge, a global Fintech leader with over \$5 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications to enable better financial lives. We deliver technology-driven solutions that drive business transformation for our clients and help them get ahead of today's challenges to capitalize on what's next.

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